

Exhibit III

**Fee Application for the period
August 1, 2008 through August 31, 2008**

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re)	Chapter 11
)	
W. R. Grace & Co. <u>et al.</u> ¹ ;)	Case No. 01-01139 (JKF)
)	Jointly Administered
Debtors.)	
)	

Objection Deadline:
December 3, 2008 at 4:00 p.m.
Hearing date: To be scheduled only if objections
are timely filed and served.

NOTICE OF FILING OF MONTHLY FEE APPLICATION

To: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Asbestos Personal Injury Claimants; (5) Counsel to the Official Committee of Asbestos Property Damage Claimants; (6) Counsel to the Official Committee of Equity Holders; and (7) Counsel to the Debtors-in-Possession Lenders (8) the Fee Auditor:

Capstone Advisory Group, LLC ("Capstone"), financial advisors to the Official Committee of Unsecured Creditors of the above captioned debtor and debtors in possession in the above-captioned chapter 11 cases, filed and served its Fifty-Fifth Interim Application for Allowance of Compensation and for Services Rendered and Reimbursement of Expenses

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Incurred for the period from August 1, 2008 through August 31, 2008 (the "Monthly Fee Application"). Capstone is seeking compensation in the amount of \$107,000.80, representing 80% of \$133,751.00, which is the total amount of fees incurred, and reimbursement for actual and actual and necessary expenses in the amount of \$1,428.75.

Objections or responses to the Monthly Fee Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **December 3, 2008 at 4:00 p.m.**

At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel for the Debtors, James H.M. Sprayregen, Esquire, Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601 (fax number 312-861-2200), and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801) (fax number 302-652-4400); (ii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038-4982 (fax number 212-806-6006), and Michael R. Lastowski, Esquire, Duane Morris LLP, 1100 N. Market Street, Suite 1200, Wilmington, Delaware 19801-1246 (fax number 302-657-4901); (iii) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Blizin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, Florida 33131 (fax number 305-374-7593), and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, Delaware 19899 (fax number 302-575-1714); (iv) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale,

399 Park Avenue, 36th Floor, New York, New York 10022 (fax number 212-644-6755) and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15th Floor, 1201 Market Street, Suite 1500, Wilmington, Delaware 19801 (fax number 302-426-9947); (v) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins, Sears Tower, Suite 5800, Chicago, Illinois 60606 (fax number 312-993-9767), and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. 25130, Wilmington, Delaware 19899 (fax number 302-658-6395); (vi) counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, New York 10022 (fax number 212-715-8000); and (vii) the Office of the United States Trustee, Attn: David Klauder, Esquire, 844 N. King Street, Wilmington, Delaware 19801 (fax number 302-573-6497); and (viii) the Fee Auditor, to Bobbi Ruhlander, Warren H. Smith and Associates, Republic Center, 325 N. St. Paul, Suite 1275, Dallas, TX 75201.

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Dated: November 13, 2008
Wilmington, DE

RESPECTFULLY SUBMITTED,



Michael R. Lastowski, Esq. (DE I.D. No. 3892)
Richard W. Riley, Esq. (DE I.D. No. 4052)
DUANE MORRIS LLP
1100 North Market Street, Suite 1200
Wilmington, DE 19801
Telephone: (302) 657-4900
Facsimile: (302) 657-4901
E-mail: mlastowski@duanemorris.com

William S. Katchen, Esquire (Admitted in NJ Only)
DUANE MORRIS LLP
One Riverfront Plaza
Newark, New Jersey 07102
Telephone: (973) 424-2000
Facsimile: (973) 424-2001
E-mail: wskatchen@duanemorris.com

and

Lewis Kruger, Esquire
STROOCK & STROOCK & LAVAN LLP
180 Maiden Lane
New York, New York 10038-4982
Telephone: (212) 806-5400
Facsimile: (212) 806-6006
E-mail: lkruger@Stroock.com

Co-Counsel for the Official Committee of
Unsecured Creditors of W. R. Grace & Co., et al.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W.R. GRACE & Co., <u>et al.</u> ,)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors)	
_____)	

**FIFTY-FIFTH INTERIM APPLICATION OF CAPSTONE ADVISORY GROUP, LLC,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Name of Applicant:	Capstone Advisory Group, LLC (formerly known as Capstone Corporate Recovery, LLC)
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	June 8, 2004 (<u>nunc pro tunc</u> to February 4, 2004)
Period for which compensation and reimbursement is sought:	August 1, 2008 through August 31, 2008
Amount of Compensation sought as actual, reasonable and necessary (80% of \$ 133,751.00):	\$ 107,000.80
Amount of Expense Reimbursement sought as actual, reasonable and necessary (100%):	<u>1,428.75</u>
Total Amount Due:	\$ 108,429.55

Capstone replaced FTI Consulting, Inc. ("FTI") as financial advisors to the Official Committee of Unsecured Creditors, nunc pro tunc to February 4, 2004, so ordered by the Court on June 8, 2004.

The total time expended and included herein for the June and July monthly fee statements is 2.7 hours and corresponding compensation requested is \$610.50.

This is the Fifty – Fifth Interim Application filed by Capstone. Disclosure for the current period and prior periods is as follows:

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

**ATTACHMENT A
TO FEE APPLICATION**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
June 10, 2004	February 4, 2004 through February 29, 2004	\$94,882.00	\$3,932.07	\$75,905.60
June 10, 2004	March 1, 2004 through March 31, 2004	\$136,415.50	\$1,819.00	\$109,132.40
Totals First Quarterly	February 4, 2004 through March 31, 2004	\$231,297.50	\$5,751.07	\$185,038.00
June 12, 2004	April 1, 2004 through April 30, 2004	\$61,925.00	\$678.33	\$49,540.00
July 13, 2004	May 1, 2004 Through May 31, 2004	\$32,665.00	\$477.15	\$26,132.00
August 5, 2004	June 1, 2004 through June 30, 2004	\$106,470.50	\$1,119.63	\$85,176.40
Totals Second Quarterly	April 1, 2004 through June 30, 2004	\$201,060.50	\$2,275.11	\$160,848.40
August 31, 2004	July 1, 2004 through July 31, 2004	\$68,533.50	\$667.60	\$54,826.80
September 24, 2004	August 1, 2004 through August 31, 2004	\$99,215.50	\$1,341.49	\$79,372.40
October 28, 2004	September 1, 2004 through September 30, 2004	\$44,918.25	\$658.72	\$35,934.60
Totals Third Quarterly	July 1, 2004 through September 30, 2004	\$212,667.25	\$2,667.81	\$170,133.80

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Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
December 6, 2004	October 1, 2004 through October 31, 2004	\$57,592.50	229.77	\$46,074.00
December 22, 2004	November 1, 2004 through November 30, 2004	\$84,366.50	\$745.91	\$67,493.20
January 28, 2005	December 1, 2004 Through December 31, 2004	\$82,351.00	\$ 1,943.96	\$65,880.80
Totals Fourth Quarterly	October 1, 2004 through December 31, 2004	\$224,310.00	\$2,919.64	\$179,448.00
February 25, 2005	January 1, 2005 through January 31, 2005	\$69,477.00	\$276.18	\$55,581.60
March 29, 2005	February 1 through February 28, 2005	\$77,228.50	\$1,727.60	\$61,782.80
May 6, 2005	March 1, 2005 through March 31, 2005	\$126,012.00	\$ 494.94	\$100,809.60
Totals Fifth Quarterly	January 1, 2005 through March 31, 2005	\$272,717.50	\$2,498.72	\$218,174.00
June 3, 2005	April 1, 2005 through April 30, 2005	\$ 87,936.00	\$ 435.16	\$ 70,348.80
July 6, 2005	May 1, 2005 through May 31, 2005	\$119,435.00	\$1,275.00	\$ 95,548.00
July 15, 2005	June 1, 2005 through June 30, 2005	\$89,859.00	\$542.69	\$71,887.20

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
Totals Sixth Quarterly	April 1, 2005 through June 30, 2005	\$297,230.00	\$2,252.85	\$237,784.00
September 19, 2005	July 1, 2005 through July 31, 2005	\$90,014.50	\$621.03	\$72,011.60
October 7, 2005	August 1, 2005 through August 31, 2005	\$126,233.00	\$1,532.46	\$100,986.40
October 31, 2005	September 1, 2005 through September 30, 2005	75,983.50	\$482.03	\$60,786.80
Totals Seventh Quarterly	July 1, 2005 through September 30, 2005	\$292,231.00	\$2,635.52	\$233,784.80
December 16, 2005	October 1, 2005 through October 31, 2005	95,742.50	\$750.36	76,594.00
December 30, 2005	November 1, 2005 through November 30, 2005	\$118,062.00	\$1,119.74	\$94,449.60
February 9, 2006	December 1, 2005 through December 31, 2005	\$122,018.50	\$938.82	\$97,614.80
Totals Eighth Quarterly	October 1, 2005 through December 31, 2005	\$335,823.00	\$2,808.92	\$268,658.40
March 21, 2006	January 1, 2006 through January 31, 2006	\$85,745.00	\$631.01	\$68,596.00
April 20, 2006	February 1, 2006 through February 28, 2006	\$173,916.50	\$2,359.69	\$139,133.20

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
May 9, 2006	March 1 through March 31, 2006	\$141,040.50	\$1,017.99	\$112,832.40
Totals Ninth Quarterly	January 1, 2006 through March 31, 2006	\$400,702.00	\$4,008.69	\$320,561.60
May 23, 2006	April 1, 2006 through April 30, 2006	\$125,055.00	\$1,929.46	\$100,044.00
June 21, 2006	May 1, 2005 Through May 31, 2006	\$146,396.50	\$965.43	\$117,117.20
July 20, 2006	June 1, 2006 Through June 30, 2006	\$140,368.50	\$1,263.86	\$140,368.50
Totals Tenth Quarterly	April 1, 2006 through June 30, 2006	\$411,820.00	\$4,158.75	\$329,456.00
	Adjustment for July photocopies		\$(6.55)	
August 25, 2006	July 1, 2006 through July 31, 2006	\$102,449.00	\$566.51	\$ 81,959.20
October 2, 2006	August 1, 2006 Through August 31, 2006	\$111,154.00	\$505.01	\$88,923.20
November 13, 2006	September 1, 2006 through September 30, 2006	\$75,103.50	\$633.57	\$ 60,082.80
Totals Eleventh Quarterly	July 1, 2006 through September 30, 2006	\$288,706.50	\$1,698.54	\$230,965.20

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
January 22, 2007	November 1, 2006 Through November 30, 2006	\$98,985.50	\$809.09	\$79,997.49
March 20, 2007	December 1, 2006 Through December 31, 2006	\$59,630.50	\$381.70	\$47,704.40
Totals Twelfth Quarterly	October 1, 2006 through December 31, 2006	\$221,771.50	\$1,397.19	\$177,417.20
April 20, 2007	January 1, 2007 through January 31, 2007	\$55,703.00	\$ 166.00	\$44,562.40
April 20, 2007	February 1, 2007 through February 28, 2007	\$87,120.50	\$ 344.89	\$69,696.40
June 29, 2007	March 1, 2007 through March 31, 2007	\$119,047.50	\$472.38	\$95,238.00
Totals Thirteenth Quarterly	January 1, 2007 through March 31, 2007	\$261,871.00	\$983.27	\$209,496.80
June 29, 2007	April 1, 2007 through April 30, 2007	\$77,267.00	\$221.70	\$61,813.60
July 3, 2007	May 1, 2007 through May 31, 2007	\$101,181.00	\$838.49	\$80,944.80
August 31, 2007	June 1, 2007 through June 30, 2007	\$90,040.50	\$744.21	\$72,032.40
Totals Fourteenth Quarterly	April 1, 2007 Through June 30, 2007	\$268,488.50	\$1804.40	\$214,790.80

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
October 23, 2007	July 1, 2007 through July 31, 2007	\$78,971.00	\$636.29	\$63,176.80
October 23, 2007	August 1, 2007 through August 31, 2007	\$74,596.00	\$184.06	\$59,676.80
November 7, 2007	September 1, 2007 through September 30, 2007	\$78,887.50	\$396.82	\$63,110.00
Total Fifteenth Quarterly	July 1, 2007 through September 30, 2007	\$232,454.50	\$1217.17	\$185,963.60
January 23, 2008	October 1, 2007 through October 31, 2007	\$51,391.50	\$293.56	\$41,113.20
January 23, 2008	November 1, 2007 through November 30, 2007	\$82,993.00	\$407.99	\$66,394.40
February 7, 2008	December 1, 2007 through December 31, 2007	\$53,730.50	\$308.15	\$42,984.40
Totals Sixteenth Quarterly	October 1, 2007 Through December 31, 2007	\$188,115.00	\$1009.70	\$150,492.00
March 4, 2008	January 1, 2008 through January 31, 2008	\$62,899.50	\$174.14	\$50,319.60
April 14, 2008	February 1, 2008 through February 29, 2008	\$83,686.00	\$423.31	\$66,948.80
May 23, 2008	March 1, 2008 through March 31, 2008	\$88,842.50	\$442.15	\$64,674.00

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(FOR THE PERIOD FROM AUGUST 1, 2008 THROUGH AUGUST 31, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
Totals Seventeenth Quarterly	January 1, 2008 Through March 31, 2008	\$227,428.00	\$1,039.60	\$181,942.40
June 26, 2008	April 1, 2008 through April 30, 2008	\$ 93,943.50	\$325.30	\$ 75,154.80
July 10, 2008	May 1, 2008 through May 31, 2008	\$ 56,076.00	\$167.26	\$ 44,860.80
September 12, 2008	June 1, 2008 through June 30, 2008	\$ 63,873.50	\$491.33	\$ 51,098.80
Totals Eighteenth Quarterly	April 1, 2008 Through June 30, 2008	\$213,893.00	\$983.89	\$171,114.40
September 25, 2008	July 1, 2008 through July 31, 2008	\$ 57,490.50	\$210.86	\$ 45,992.40
November 11, 2008	August 1, 2008 through August 31, 2008	\$133,751.00	\$1,428.75	\$107,000.80

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ATTACHMENT B

1. Summary of Fees by Professional
2. Summary of Fees by Task Code
3. Detailed Task Descriptions
4. Summary of Expenses

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Professional
For the Period 8/1/08 through 8/31/08

Professional	Position	Billing Rate	Hours	Fees
E. Ordway	Member	\$650	38.40	\$24,960.00
S. Cunningham	Member	\$650	40.80	\$26,520.00
R. Frezza	Consultant	\$550	74.70	\$41,085.00
J. Dolan	Consultant	\$395	88.20	\$34,839.00
M. Desalvio	Research	\$165	37.40	\$6,171.00
N. Backer	Paraprofessional	\$110	1.60	\$176.00
For the Period 8/1/08 through 8/31/08			281.10	\$133,751.00

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Task Code
For the Period 8/1/08 through 8/31/08

Task Code	Task Description	Hours	Fees
03. Claims Analysis & Valuation	During the Fee Application period, the Applicant prepared various analyses of claims, reviewed recovery scenarios under various assumptions and prepared interest accrued scenarios, as well as Counsel directed analyses related to Debtors objection to default interest.	130.20	\$65,761.50
04. Creditor Committee Matters	During the Fee Application period, the Applicant read and analyzed recent docket submissions and counsel reports as well as prepared for and participated in deposition.	66.00	\$39,398.50
05. Employee Matters/KERP/Other	During the Fee Application period, the Applicant analyzed the Debtors LTIP motion and related information and prepared report to the Committee thereon.	10.80	\$5,880.50
06. Environmental Mtrs/Regs/Litig.	During the Fee Application period, the Applicant analyzed counsels' memo regarding environmental claims.	1.50	\$975.00
07. Fee Applications & Invoices	During the Fee Application Period, the Applicant prepared the June and July Fee Statements.	2.70	\$610.50
08. Financial Analysis - Schedules & Statements	During the Fee Application Period, the Applicant analyzed data regarding June monthly and Q2 08 results by comparing sales, EBIT, and gross margin year, as well as a review of industry prepared thereon.	31.60	\$14,598.50
21. Research	During the Fee Application period, the Applicant researched interest rates for various analyses.	37.40	\$6,171.00
For the Period 8/1/08 through 8/31/08		281.10	\$133,751.00

Capstone Advisory Group, LLC
 Invoice for the August 2008 Fee Application
W.R. Grace & Co.
 Capstone Advisory Group, LLC
 Detailed Time Description by Task Code
 For the Period 8/1/08 through 8/31/08

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Date	Professional	Hours	Detailed Time Description
02. Case Administration			
8/12/2008	J. Dolan	0.90	Read and analyzed recent docket submissions.
Subtotal		0.90	
03. Claims Analysis & Valuation			
8/4/2008	J. Dolan	6.10	Preparation of counsel directed analyses related to recovery issues.
8/5/2008	J. Dolan	8.10	Preparation of counsel directed analyses related to recovery issues.
8/5/2008	R. Frezza	2.80	Continued preparation/review of counsel-specified analyses in preparation for meeting.
8/6/2008	R. Frezza	4.80	Continued declaration support analyses.
8/7/2008	J. Dolan	7.20	Preparation of counsel directed analyses related to recovery issues.
8/7/2008	E. Ordway	1.90	Prepared for meeting with counsel by reviewing notes, reports and other analyses.
8/8/2008	E. Ordway	0.40	Directed staff in researching interest rate data.
8/8/2008	S. Cunningham	3.30	Read and analyzed default interest calculation and issues.
8/8/2008	R. Frezza	6.80	Counsel specific analyses.
8/8/2008	J. Dolan	4.80	Preparation of counsel directed analyses related to recovery issues.
8/9/2008	R. Frezza	3.90	Research and report drafting related to counsel directed analyses.
8/9/2008	J. Dolan	6.20	Preparation of counsel directed analyses related to recovery issues.
8/10/2008	J. Dolan	2.40	Preparation of counsel directed analyses related to recovery issues.
8/11/2008	J. Dolan	6.60	Preparation of counsel directed analyses related to recovery issues.
8/11/2008	R. Frezza	4.50	Preparation of non-asbestos claims analyses.
8/12/2008	R. Frezza	4.80	Prepared non-asbestos committee claim analysis.

Capstone Advisory Group, LLC
 Invoice for the August 2008 Fee Application

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Date	Professional	Hours	Detailed Time Description
8/12/2008	S. Cunningham	2.20	Read and analyzed data supporting 2 % default and other historical analysis regarding valuation of equity.
8/13/2008	R. Frezza	5.20	Prepared claim and recovery analyses under various scenarios.
8/14/2008	R. Frezza	5.10	Prepared claim and recovery analyses under various scenarios.
8/14/2008	E. Ordway	1.50	Made revisions to documents for default interest.
8/14/2008	S. Cunningham	2.20	Read and analyzed information supporting default interest.
8/15/2008	R. Frezza	2.30	Prepared claim and recovery analyses under various scenarios.
8/18/2008	R. Frezza	3.90	Prepared claim and recovery analyses under various scenarios.
8/18/2008	J. Dolan	2.80	Prepared analyses at the request of counsel.
8/18/2008	E. Ordway	0.60	Prepared for settlement meeting by organizing and reviewing relevant data.
8/19/2008	J. Dolan	4.20	Prepared various analyses at the request of counsel.
8/19/2008	E. Ordway	1.10	Prepared/edited updated recovery analyses.
8/20/2008	J. Dolan	1.80	Prepared analyses at the request of counsel.
8/21/2008	J. Dolan	2.50	Update to recovery analysis based on changes in various assumptions.
8/21/2008	E. Ordway	3.10	Participated in settlement meeting with various parties-in intend.
8/21/2008	E. Ordway	1.80	Prepared for settlement meeting by reviewing reports, data, etc.
8/22/2008	J. Dolan	0.90	Prepared analyses re: claims and interest, at counsel's request.
8/25/2008	J. Dolan	1.40	Prepared analyses re: claims and interest, at counsel's request.
8/25/2008	S. Cunningham	3.10	Read and analyzed recovery analysis and claims to date including interest calculation.
8/27/2008	S. Cunningham	2.30	Read and analyzed interest rate assumptions and calculations.
8/28/2008	E. Ordway	0.70	Analyzed CAPEX history data.
8/28/2008	J. Dolan	0.90	Prepared analyses at counsel's request.
8/28/2008	E. Ordway	1.10	Analyzed stock price history data.
8/28/2008	E. Ordway	1.30	Continued to read and analyze affidavits regarding interest issue.

Date	Professional	Hours	Detailed Time Description
8/28/2008	S. Cunningham	2.80	Read and analyzed affidavits filed in preparation for deposition.
8/29/2008	J. Dolan	0.80	Prepared analyses re: claims and interest, at counsel's request.
Subtotal		130.20	
04. Creditor Committee Matters			
8/5/2008	E. Ordway	2.80	Prepared/edited data for inclusion in affidavit for court regarding default interest.
8/7/2008	E. Ordway	1.30	Met with counsel to discuss default interest issues.
8/7/2008	R. Frezza	5.20	Meeting with counsel to discuss declaration; began research and drafting of declaration.
8/11/2008	E. Ordway	0.30	Communication regarding settlement meeting.
8/11/2008	S. Cunningham	4.00	Assembled documents to comply with document request re: default interest.
8/12/2008	J. Dolan	3.30	Preparation of counsel directed analyses related to recovery issues.
8/13/2008	E. Ordway	2.10	Prepared/edited affidavit for court regarding default interest.
8/14/2008	E. Ordway	0.40	Communication with counsel regarding documents relating to default interest.
8/18/2008	S. Cunningham	1.30	Read and analyzed information included in Ordway affidavit.
8/19/2008	E. Ordway	0.30	Communications regarding depositions.
8/19/2008	R. Frezza	3.70	Preparation for settlement meeting by reviewing analysis and notes.
8/20/2008	S. Cunningham	4.30	Read and analyzed affidavits re: post petition interest, prepared for negotiating session with Company.
8/20/2008	R. Frezza	3.80	Preparation for settlement meeting by reviewing analysis and notes.
8/20/2008	E. Ordway	2.00	Read and analyzed disclosure statement and supporting documents.
8/20/2008	E. Ordway	1.10	Read and analyzed loan agreement.
8/21/2008	S. Cunningham	5.50	Participated in premeeting with debt holders and met with Debtors and counsel re: interest issues.
8/21/2008	R. Frezza	5.20	Participated in settlement meeting.
8/22/2008	E. Ordway	0.50	Communication with counsel regarding depositions and scheduling.
8/22/2008	R. Frezza	2.80	Follow up with counsel on next steps re: settlement negotiations.

Date	Professional	Hours	Detailed Time Description
8/25/2008	R. Frezza	1.50	Gathered and analyzed historical default interest rates for credit agreements of similar size to Grace in 1998 and 1999.
8/26/2008	E. Ordway	0.40	Read and analyzed Zilly affidavit.
8/26/2008	R. Frezza	0.50	Gathered and analyzed historical default interest rates for credit agreements of similar size to Grace in 1998 and 1999.
8/26/2008	E. Ordway	0.30	Communications regarding deposition issues.
8/26/2008	E. Ordway	0.70	Read deposition outlines.
8/27/2008	E. Ordway	1.70	Read and analyzed various analyses prepared by staff regarding interest calculations.
8/27/2008	E. Ordway	1.40	Reviewed other affidavits related to interest issues.
8/27/2008	R. Frezza	0.50	Calculated interest under various scenarios in support of declaration assertions.
8/28/2008	R. Frezza	2.20	Calculated interest under various scenarios in support of declaration assertions.
8/29/2008	E. Ordway	2.00	Participated in deposition.
8/29/2008	E. Ordway	1.80	Prepared for deposition by reviewing various documents.
8/29/2008	R. Frezza	1.20	Calculated interest under various scenarios in support of declaration assertions.
8/29/2008	E. Ordway	1.90	Met with counsel to discuss upcoming deposition.
Subtotal		66.00	
05. Employee Matters/KERP/Other			
8/1/2008	E. Ordway	0.70	Directed staff in analyzing revised LTIP Plan.
8/1/2008	J. Dolan	1.50	Preparation of LTIP report to Committee.
8/1/2008	R. Frezza	2.10	Complete LTIP analysis after counsel comments
8/4/2008	E. Ordway	0.90	Prepared/edited analysis on LTIP Plan.
8/4/2008	J. Dolan	1.40	Finalize LTIP report to the Committee.
8/4/2008	R. Frezza	1.90	Finalized LTIP Report.
8/7/2008	S. Cunningham	2.30	Review LTIP analysis, proposal and report.
Subtotal		10.80	

Date	Professional	Hours	Detailed Time Description
06. Environmental Mtrs/Regs/Litig.			
8/11/2008	E. Ordway	0.80	Read and analyzed counsels' memo regarding environmental claims.
8/11/2008	E. Ordway	0.70	Analyzed environmental claims and related reserves.
Subtotal		1.50	
07. Fee Applications & Invoices			
8/12/2008	J. Dolan	1.10	Preparation of June fee app.
8/19/2008	N. Backer	0.80	Prepared July fee application.
8/22/2008	N. Backer	0.80	Prepared July fee application.
Subtotal		2.70	
08. Financial Analysis - Schedules & Statements			
8/6/2008	S. Cunningham	4.10	Read and analyzed Q2 preliminary financials versus prior year and plan.
8/6/2008	J. Dolan	2.30	Read and analyzed June operating reports.
8/13/2008	J. Dolan	3.30	Preparation of analyses for 2Q08 report to the Committee.
8/13/2008	S. Cunningham	3.40	Review Q2 financial information received from Company, analyzed versus prior year.
8/18/2008	J. Dolan	2.10	Prepared 2q08 analysis including comparison to Plan.
8/18/2008	J. Dolan	2.40	Prepared 2q08 results analyses to include in report to the Committee including comparison to prior year.
8/19/2008	J. Dolan	2.90	Prepared report to the Committee on 2Q08 results including analyses of 10Q.
8/20/2008	J. Dolan	3.20	Prepared report to the Committee on 2Q08 results including analyses of 10Q.
8/21/2008	J. Dolan	1.10	Continued analysis of 10q and impact on report to Committee.
8/22/2008	J. Dolan	2.60	Prepared report to the Committee on 2Q 08 results including gross margin analysis.
8/22/2008	E. Ordway	0.80	Analyzed latest monthly operating report and summarized items for staff to investigate.
8/26/2008	J. Dolan	3.40	Prepared report to the Committee on 2Q 08 results including gross margin analysis.
Subtotal		31.60	

Date	Professional	Hours	Detailed Time Description
21. Research			
8/5/2008	M. Desalvio	1.30	Researched information regarding default interest.
8/7/2008	M. Desalvio	4.00	Search for declarations in support of claim or default interest.
8/8/2008	M. Desalvio	8.80	Research syndicated deals for pricing.
8/11/2008	M. Desalvio	7.50	Research syndicated deals for pricing.
8/12/2008	M. Desalvio	8.30	Research syndicated deals for pricing.
8/13/2008	M. Desalvio	1.00	Research syndicated deals for pricing.
8/14/2008	M. Desalvio	6.50	Researched credit ratings and verified various search criteria for Syndicated loan analysis.
Subtotal		37.40	
Total Hours		281.10	

W.R. Grace & Co.
Capstone Advisory Group, LLC
Expense Detail
For the Period 8/1/08 through 8/31/08

Date	Professional	Detail	Amount
Airfare/Train			
8/7/2008	J. Dolan	Train	\$27.50
Subtotal - Airfare/Train			\$27.50
Mileage			
8/7/2008	R. Frezza	Mileage	\$20.00
8/21/2008	R. Frezza	Mileage	\$20.00
Subtotal - Mileage			\$40.00
Parking/Tolls			
8/7/2008	E. Ordway	Parking - \$25 Tolls - \$8	\$35.50
8/7/2008	R. Frezza	Parking - \$25 Tolls - \$8	\$33.00
8/21/2008	S. Cunningham	Attend meeting at Kirkland & Ellis	\$58.85
8/21/2008	E. Ordway	Parking - \$26 Tolls - \$8	\$34.00
8/21/2008	R. Frezza	Parking - \$25 Tolls - \$8	\$33.00
8/29/2008	E. Ordway	Parking \$36.00 Tolls - \$8	\$44.00
Subtotal - Parking/Tolls			\$238.35
Research			
8/22/2008	Capstone Expense	Bloomberg service	\$695.00
8/22/2008	Capstone Expense	Pacer service	\$86.08
Subtotal - Research			\$781.08
Telecom			
8/21/2008	Capstone Expense	August Telephone - Saddle Brook office	\$341.82
Subtotal - Telecom			\$341.82
For the Period 8/1/08 through 8/31/08			\$1,428.75